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**Before the
FEDERAL COMMUNICATIONS COMMISSION**
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)	
)	
Safeguards to Improve the)	CC Docket No. 93-6
Administration of the Interstate)	RM 7736
Access Tariff and Revenue)	
Distribution Process)	

COMMENTS OF GENERAL COMMUNICATION, INC.

General Communication, Inc. ("GCI") submits these comments in response to the Commission's Notice of Proposed Rulemaking ("Notice") released on February 11, 1993.

GCI is a nondominant interstate, intrastate and international interexchange common carrier providing service within Alaska and between Alaska and other points worldwide. Twenty-one of twenty-two local exchange carriers ("LECs") in Alaska participate in at least one National Exchange Carrier Association ("NECA") pool. Therefore, GCI pays a NECA access charge on one end of practically every call.¹ GCI herein comments on the safeguards proposed by the Commission to improve the administration of the access tariff and revenue distribution process.

¹Anchorage Telephone Utility has filed its own traffic sensitive tariff which will become effective July 1, 1993.

I. NECA Board of Directors

The NECA Board of Director's should be recomposed to include at least three outside directors. These outside directors should be drawn from the business, professional, financial or academic communities. The outside directors should not have a past or current relationship with NECA. Current or former officers or employees of NECA or any of its member companies and anyone related to such persons should not be eligible to serve. Also, current state and federal regulators should not be allowed to serve. No board member should have a consulting or advisory relationship, past or present, with NECA or its member companies.

However, it will be in the industry's best interest to have nominees that are familiar with all aspects of the telecommunications industry. The Board of Directors are obligated to assure that NECA discharges its obligations under the Commission's rules. Board members without a telecommunications background will find it difficult to fulfill their obligations.

There should be at least two candidates for each outside director position. This will enable NECA to find the best candidates for each position. Finding a minimum of six candidates should not be difficult.

The outside board members should serve for a minimum of two years. However, the LEC representatives should continue to serve for one year terms. This will enable the independent directors to have more input into the process. The independent board members should serve staggered terms to maintain continuity.

All NECA committees should be appointed by a committee resolution and be required to keep formal minutes and to report their actions to the full committee who in turn will report to the full board. Each committee or subcommittee must have one outside director as a voting member. For both the common line and traffic sensitive committees, there should be two outside directors to ensure that NECA is fulfilling its obligations under the Commission's rules. This will ensure continuity for the two most important committees in that the terms of the independent board members would be staggered.

The Board of Directors meetings should be open to all interested parties. In Alaska, the Alaska Exchange Carriers Association ("AECA") are obligated to hold open meetings.² This has created an open forum for LECs and interexchange carriers. The minutes of the Board of Directors meetings should be filed with the Commission and available to all interested parties.

The obligations of the Board of Directors will increase over time. The access charges imposed by NECA are becoming ever divergent from the nationwide average. At least fifty percent of an interexchange carriers' costs go to the LECs for access. The Commission and NECA's Board of Directors need to address this ever spiraling problem.

II. Overall Responsibilities

NECA is expected to make reasonable efforts to interpret the Commission's rules correctly and to implement the interpretations. NECA must

²GCI v. APUC and ECA, No. 3AN-90-1105, Sup. Ct. Alaska, 3rd Dist. (March 2, 1990).

review the LECs data submissions to ensure that they comply with the rules. If a LEC does not comply, then NECA must correct the data in its revenue requirement and revenue distribution computations. NECA should not try to develop industry consensus within the NECA companies. NECA must exercise its own independent interpretive judgement and implement that interpretation. NECA should consult with the Commission staff. However, those consultations should be reported to the Commission similar to an ex parte contact to enable interested parties to be knowledgeable about the concerns of NECA. This will enable all parties to have input on rule interpretations of concern to NECA.

GCI supports the proposal to provide the Commission with an on line dial-up access to the computer based files provided by the LECs to NECA. However, this access should be available to any interested party. This will assist both federal and state regulatory commission's in their evaluation of LEC costs and separation studies. This information should also be available to interested parties such as GCI because commissions rely on comments from the industry in various access proceedings. This information should not be private. The interexchange carriers are held captive by NECA companies. Various obligations to promote competition in the local exchange has not been imposed on NECA companies.³ These companies are fully regulated and their submissions should be made available to the public. The larger LECs have provided this information in the past. Just because these carriers are small, they should not be able to

³Expanded Interconnection with Local Telephone Company Facilities, CC Docket 91-141, FCC 92-440, released October 19, 1992.

keep their cost and separation studies secret. Industry knowledge will help the Commission and NECA in fulfilling their obligations.

If NECA does not comply with the FCC rules, any penalties assessed should be recovered above the line, not from the ratepayer. This will help ensure that LECs will comply with the Commission's rules.

III. NECA's Internal Procedures

The administration of the access tariff and revenue by NECA must be based on the premises proposed by the Commission. For NECA to fulfill its obligations, NECA must understand the Commission's rules sufficiently to instruct LECs on how to implement them. Further, NECA must have the tools at its disposal to determine whether LEC submissions comply with the Commission's rules and to use the tools to secure compliance. In furtherance of these goals, the LEC officer in charge and the employees who perform the data submissions should certify that the submission complies with the Commission's rules. The certification can be in paper format with a notation of certification in the computer files.

NECA should be required to submit its incentive compensation plan and cost study review efforts to the Commission so that interested parties can comment. The incentive compensation plan should not be in conflict with the obligations of NECA.

Conclusion

The Commission should adopt rules to recompose the Board of Directors for NECA, open the Board meetings, make the Board minutes and data submitted by the LECs available to the public at large and increase the internal procedures of NECA. GCI looks forward to commenting on NECA's incentive compensation plan and its cost study review efforts.

Respectfully submitted,

GENERAL COMMUNICATION, INC.



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April 14, 1993

STATEMENT OF VERIFICATION

I have read the foregoing, and to the best of my knowledge, information and belief there is good ground to support it, and that it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct.

Executed on April 14, 1993.



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